

DATE IN 7-2-10	SUSPENSE	ENGINEER DB	LOGGED IN 7-14-10	TYPE NSL	APP NO. 1018355945
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ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -
1220 South St. Francis Drive, Santa Fe, NM 87505



BMG
COA well #46

ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Application Acronyms:

[NSL-Non-Standard Location] [NSP-Non-Standard Proration Unit] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

[A] Location - Spacing Unit - Simultaneous Dedication
☒ NSL ☐ NSP ☐ SD

Check One Only for [B] or [C]

[B] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☐ OLM

[C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

[D] Other: Specify _____

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or ☒ Does Not Apply

[A] ☐ Working, Royalty or Overriding Royalty Interest Owners
[B] ☐ Offset Operators, Leaseholders or Surface Owner
[C] ☐ Application is One Which Requires Published Legal Notice
[D] ☐ Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
[E] ☐ For all of the above, Proof of Notification or Publication is Attached, and/or,
[F] ☐ Waivers are Attached

[3] **SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION INDICATED ABOVE.**

[4] **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Loren Diede		Drilling/Completions	7-14-2010
Print or Type Name	Signature	Title	Date
		ldiede@bmgdrilling.com	
		e-mail Address	

NM Oil Conservation Division

June 30, 2010

David Brooks

1220 South St. Francis Drive

Santa Fe, NM 87505

Dear Mr. Brooks:

Benson-Montin-Greer Drilling Corp. (BMG) requests the State of New Mexico Oil Conservation Division's approval to drill the Canada Ojitos Unit (COU) # 46 in the following unorthodox location: 424' FSL and 281' FWL, Unit P, Sec 27, T25N, R1W Rio Arriba County New Mexico. This well is intended to be drilled and completed in the Mancos formation.

The well will be drilled in the Canada Ojitos Unit; all adjacent sections to section 27 are within the Canada Ojitos Unit. The Mancos interest owners have the same interest throughout the unit.

The location of this well was selected to maximize the benefit of naturally fractured reservoir characteristics as derived from seismic data. The location selection is further affected by topography and by the need to minimize surface disturbance within the Santa Fe National Forest.

The nearest producing well (BMG's COU # 14, a Mancos producer) is approximately 3100 ft west/southwest of the proposed COU # 46 site.

We are submitting the following:

1. A copy of the NM OCD form C-102.
2. Nine-section map of the surrounding area with location of the other producing Mancos wells.

This application is filed in accordance with NMAC 19.15.15. This application also references the NMOCD "Special Rules for the West Puerto Chiquito-Mancos Oil Pool" Order No. R-6469-B. Of special consideration is Rule 5 as it applies to the application for unorthodox location as necessitated by topographical conditions.

We respectfully request your approval on this application.

Sincerely,

A handwritten signature in black ink, appearing to read 'Loren Diede', with a stylized flourish at the end.

Loren Diede

Benson-Montin-Greer Drilling Corporation

Drilling / Completions

(505) 324-5068

District I

1625 N. French Dr., Hobbs, NM 88240

District II

1301 W. Grand Avenue, Artesia, NM 88210

District III

1000 Rio Brazos Rd., Aztec, NM 87410

District IV

1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102

Revised October 15, 2009

Submit one copy to appropriate

District Office

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number	² Pool Code 50440	³ Pool Name PUERTO CHIQUITO MANCOS WEST
⁴ Property Code 001954	⁵ Property Name CANADA OJITOS UNIT	⁶ Well Number 46
⁷ GRID No. 002096	⁸ Operator Name BENSON-MONTIN-GREER DRILLING CORPORATION	⁹ Elevation 7296'

¹⁰ Surface Location

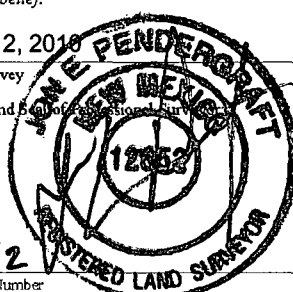
UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
P	27	25-N	1-W		424	SOUTH	281	EAST	RIO ARRIBA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 636.14	¹³ Joint or Infill N	¹⁴ Consolidation Code U	¹⁵ Order No. NSL PENDING
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

16	N89°25'06"W 5295.84'	17 OPERATOR CERTIFICATION <i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.</i> Signature _____ Date _____ Printed Name _____
	<div style="display: flex; justify-content: space-between;"> <div> S01°27'06"E 5280' 27 2 1/2" B.C. G.L.O. 1917 28/27 33/34 </div> <div> N0°27'06"W 5280' 2 1/2" B.C. G.L.O. 1917 27/26 34/35 N 1951999.76 LAT: 36 21 45.920 E 1442586.13 LONG: 106 55 18.927 (STATE PLANE, CENTRAL ZONE) S89°24'06"E 5293.20' #46 281' 424' </div> </div>	
18 SURVEYOR CERTIFICATION <i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i> JUNE 2, 2010 Date of Survey Signature and Seal of Registered Surveyor 12652 Certificate Number		

Benson-Montin-Greer Drilling Corp
Canada Ojitos Unit # 46
Unit P, Sec 27, T25N, R1W
Rio Arriba, NM

9 Section Offset Map

